AN ACT **relating to:** the expenditure of \$6,256.39 from moneys appropriated to the department of transportation for payment of a claim against the state made by Barbara Hestekin.

## Analysis by the Legislative Reference Bureau

This bill directs expenditure of \$6,256.39 from moneys appropriated to the department of transportation (DOT) for the 1995-97 fiscal biennium for state trunk highway improvements and certain other purposes in payment of a claim made by Barbara Hestekin against DOT. In 1991, DOT condemned the property on which the claimant's home was located in the city of Eau Claire for a highway expansion project. The claimant is disabled and receives social security disability payments. At the time of the condemnation, her home was appraised at \$37,000 with 2 mortgages of \$31,203.76 and \$5,501.66. She received a subsidy from disability insurance of \$125 per month on her first mortgage payment of \$300 per month and her 2nd mortgage payment of \$140 per month was paid entirely by her disability insurance. DOT purchased the claimant's home for \$39,000. After paying the balances due on her mortgages and taxes, DOT paid \$1,000.20 to the claimant. DOT also paid the claimant \$2,415.50 for moving expenses and closing costs on a new home. The claimant was unable to qualify for financing for a new home on her own signature. With the assistance of a cosigner, she obtained financing for \$34,000 on a new home. DOT denied the claimant's application for relocation assistance because her new home was not of comparable value, she had a cosigner and the home was purchased without a DOT-required inspection. The claimant claimed \$18,614 for lost monthly subsidies on her original first mortgage, \$5,502 for lost disability insurance on her original 2nd mortgage and \$5,150 for relocation assistance from DOT for which she could not qualify. (The total for these 3 components was rounded to \$29,000.) She also claimed \$1,040 for storage charges incurred from 1992 to 1994 to store belongings that would not fit into her new, smaller home (total = \$30,140). On June 28, 1995, the claims board recommended payment of \$6,256.39,

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representing the relocation assistance for which the claimant could not qualify (\$5,150) plus 9% interest from December 1, 1992, to February 23, 1995 (\$1,106.39). As of August 15, 1995, the board's action has not been reported in the *Senate Journal*. For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

## The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

Section 1. Claim against the state. There is directed to be expended from the appropriation under section 20.395 (3) (cq) of the statutes, as affected by the acts of 1995, \$6,256.39 in payment of a claim against the state made by Barbara Hestekin, Eau Claire, Wisconsin, to compensate her for relocation assistance for which she could not qualify when the department of transportation condemned her home in 1991 for a highway expansion project, plus interest. Acceptance of this payment releases this state, its officers, employes and agents from any further claim resulting from this condemnation and any damages incurred by the claimant related thereto.

(END)